

# Energy Assistance Program Overview

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**STATE OF CALIFORNIA  
DEPARTMENT OF COMMUNITY  
SERVICES & DEVELOPMENT  
(CSD)**

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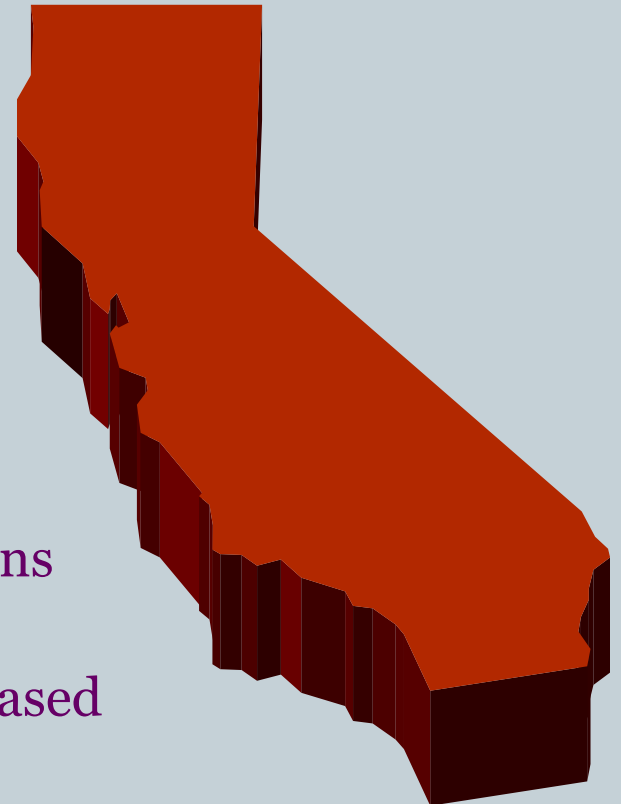
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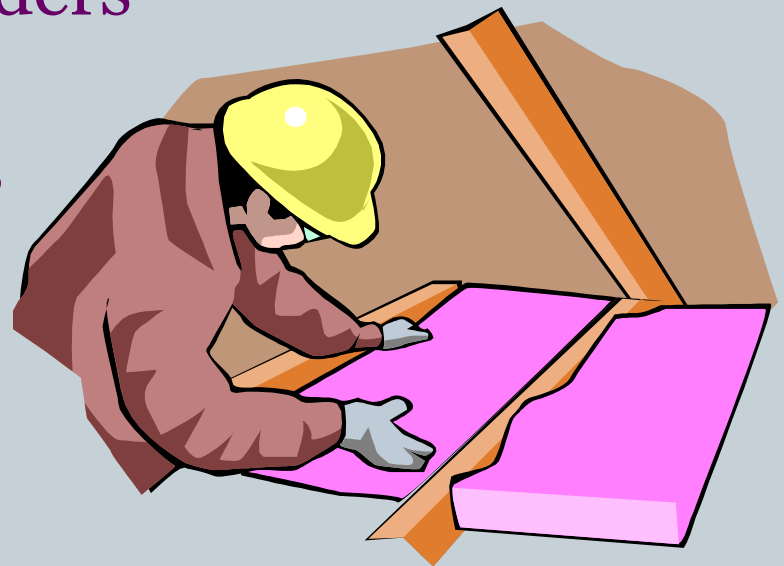
The **MISSION** of the Department of Community Services & Development is to administer and enhance energy and community service programs that result in an improved quality of life for the low-income population of California.

## CSD Partners with a network of over 100 agencies statewide



## Currently CSD's Energy Service Provider Network Consists of :

- 46 LIHEAP / DOE Providers
- 39 DOE ARRA Providers



## Community Presence



## Role of Energy Service Providers:

- Develop Local Plans
- Priority Plan – Focus on Vulnerable Populations
- Responsibilities:
  - Outreach / Marketing
  - Intake / Income Certification
  - Client Education
  - Local Administration
  - Service Delivery
  - Meeting Production / Service Goals

## **CSD Administers Two Federal Grants Providing Energy Assistance to Low-Income Families:**

- **LIHEAP – Low-Income Home Energy Assistance Program**
- **DOE WAP – Department of Energy Weatherization Assistance Program**

## **US Department of Health & Human Services LIHEAP**

- LIHEAP Block Grant administered by CSD since 1975
- Purpose of the LIHEAP Program is to provide:
  - Direct payments to help offset the cost of heating or cooling
  - Assistance in crisis situations
  - Weatherization services (limited to 25% of the block grant)

## **US Department of Energy**

### **Weatherization Assistance Program (WAP)**

- Administered by CSD for over 30 years
- Purpose of the DOE WAP is to:
  - Increase the energy efficiency of dwellings owned or occupied by low-income Californians
  - Reduce total energy expenditure
  - Improve health and safety

## Weatherization Program Overview

- **LIHEAP**
  - Primary weatherization program in past
  - Maximum Average Investment \$3,055 / Unit
  - Prescriptive measure approach: Energy efficiency, health & safety, comfort and emergency assistance
- **DOE**
  - Has provided technical guidance & specifications
  - Maximum Average Investment \$6,500 / Unit
  - Energy audit / prescriptive measure approach
  - Focus on energy-efficiency first, secondary focus on health & safety (capped at 25%)
- Leveraging encouraged to maximize resources

# DOE American Recovery & Reinvestment Act

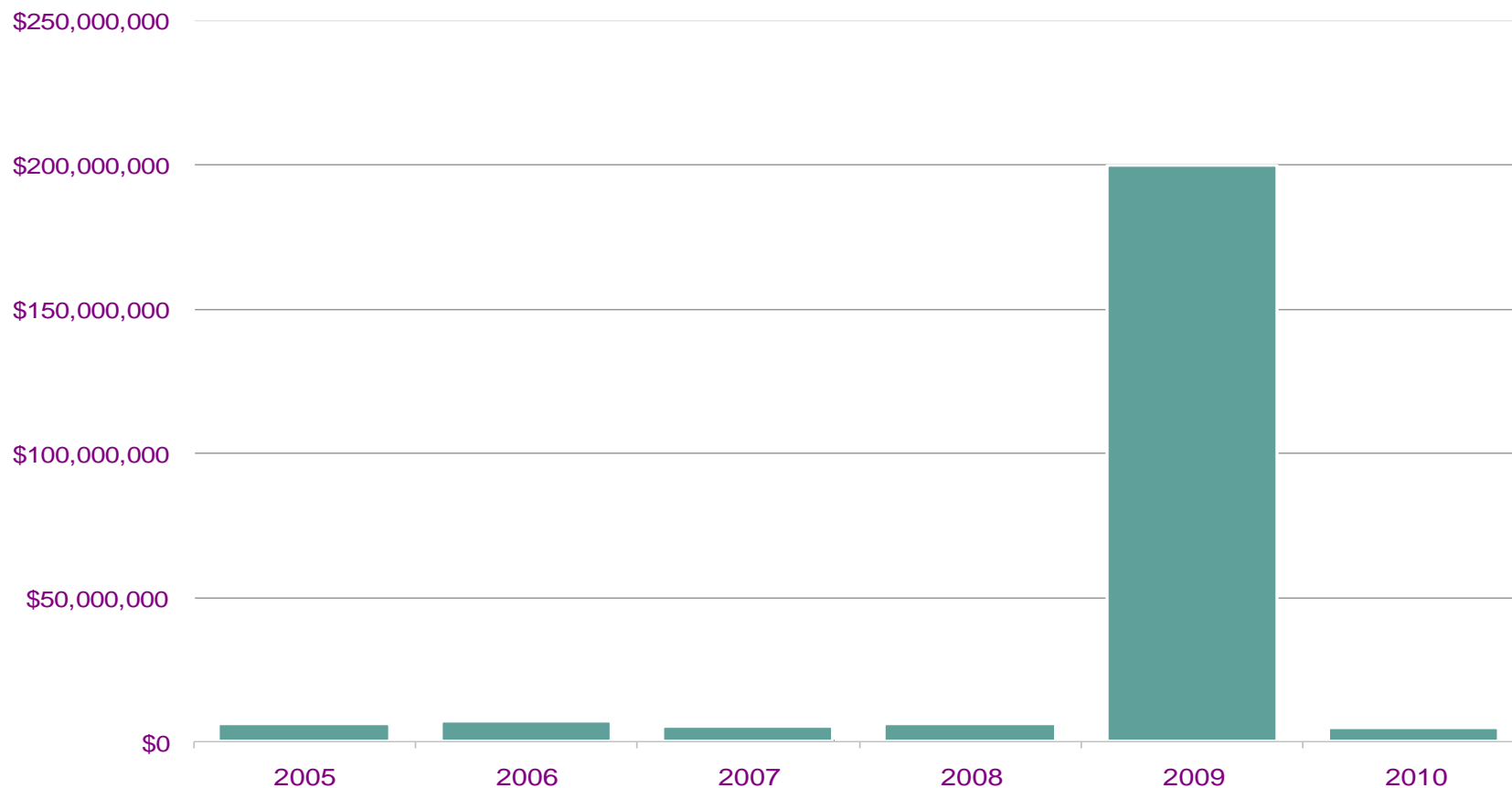
## DOE ARRA

- Weatherization centerpiece of economic recovery and national energy strategies
- High expectations
  - A pathway to sustainable jobs in renewable energy for future workforce
  - Reduces energy consumption and reliance on foreign oil
  - Stimulates local economy - Reduces household energy expenditures and allows households to use funds for other essentials
  - Elevated transparency & accountability
  - Aggressive performance goals
  - Emphasis on building partnerships and quality of services

# Department of Community Services and Development

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## DOE Funding



## LIHEAP & DOE Funding

	Program Year	DOE WX	LIHEAP Wx	ECIP Heating & Cooling	Cash Assistance
2005	\$100.6M	\$6.3M	\$24.2M	\$9.9M	\$60.2M
2006	\$166.1M	\$7.2M	\$40.2M	\$15.1M	\$103.6M
2007	\$102.7M	\$5.6M	\$24.0M	\$10.4M	\$62.7M
2008	\$108.5M	\$6.3M	\$26.8M	\$11.5M	\$63.9M
2009	\$451.4M	\$202.0M	\$49.0M	\$28.9M	\$171.5M
2010	\$192.6M	\$4.9M	\$56.7M	\$24.0M	\$107.0M
Total	\$1.122B	\$232.3M	\$220.9M	\$99.8M	\$568.9M

### Households Served

Program Year	Total	Weatherization	ECIP Heating & Cooling	Utility Cash Assistance
2005	202,900	21,000	8,400	173,500
2006	282,700	29,200	11,900	241,600
2007	178,500	18,800	7,600	152,100
2008	176,700	18,900	4,400	153,400
2009	461,300	70,000	17,000	374,300
2010	292,400	26,400	13,000	253,000
Total	1,594,500	184,300	62,300	1,347,900

Households are projected for Program Years 2009 and 2010.

## **LIHEAP and DOE WAP Income Eligibility**

- Both programs use the same eligibility threshold set at 75% of State Median Income
  - LIHEAP eligibility standards adopted by DOE
- Different standards for verifying eligibility

## LIHEAP Income Eligibility

- Each individual household must submit:
  - Application for assistance
  - Income documentation substantiating gross earnings
  - Applicants are encouraged to provide
    - SSN
    - DOB
    - Name, address, phone, etc.
    - Energy bill documentation to demonstrate energy burden
- Targets households with high energy burdens and members of vulnerable populations

## DOE Income Eligibility

- DOE utilizes the same standards for single-family households (SFDs), but offers a streamlined income certification process for select low-income multi-family properties (MFPs).
- For MFPs (5 units and more), DOE requires that 66% of the units contain income-qualified households.
- No undue or excessive enhancement can occur to the value of the dwelling units.
- Owners must extend protection against rent increases (as it relates to weatherization improvements) for a minimum of two years.

# Pilot Projects – What have we learned?

Earlier this year CSD sponsored two pilot projects:

- Community Action Partnership of Orange County
- Community Resource Project – Sacramento
- Recent DOE Program Guidance – Streamlining Eligibility
- Demonstrating Accrual of Benefits
- Multi-Family Property – Intake Guidelines
- Income Documentation & Verifying Energy Usage

## DOE Streamlined Income Eligibility

- DOE Program Notice 10-15 (issued March 2, 2010) established criteria for streamlining qualification of certain HUD and USDA multi-family buildings for weatherization work.
- Provided three (3) property lists that meet DOE's Minimum 66% Rule for income eligibility.
- Guidance and lists available at the following link:

[http://www1.eere.energy.gov/wip/multifamily\\_guidance.html](http://www1.eere.energy.gov/wip/multifamily_guidance.html)

## DOE Streamlined Income Eligibility

- Additional Points Regarding DOE 10-15:
  - For MFP's not on the 100% income qualified list, the DOE WAP investment for the property is limited to 2/3 (66%) of the dwelling units multiplied against the maximum investment per unit (\$6,500).
  - Public housing, assisted housing and Low-Income Housing Tax Credit buildings that do not appear on the DOE lists cannot qualify for the streamlined income certification process. They must go through standard WAP intake and income certification.

[http://www1.eere.energy.gov/wip/multifamily\\_guidance.html](http://www1.eere.energy.gov/wip/multifamily_guidance.html)

## DOE Streamlined Income Eligibility

- DOE Program Notice 10-15A (issued April 8, 2010)
  - Benefits of Wx in Multi-Family Properties (MFPs) must accrue primarily to the residents
  - Requires owners of MFPs to provide sufficient detail to allow determination of benefit accrual
  - Provided examples of how benefits might accrue to residents if not through direct energy savings
- Guidance available at the following link:

<http://www.waptac.org/sp.asp?id=6878>

# DOE Streamlined Income Eligibility

## Accrual of Benefits

### Individually–Metered Properties:

When a property is individually-metered and residents are responsible for payment of their own energy usage, the accrual of benefits are easy to demonstrate and quantify through reduced utility expenditures (utility bills.)



## Accrual of Benefits – Master Metered Units:

**Primary List** - Established by CSD ARRA Program Guidance #13:

- ❖ Protection against rent increases beyond that required under the DOE WAP regulations (10 CFR 440.22(b)(3)(ii));
- ❖ Investment of energy savings in facilities or services that offer a measureable direct benefit to tenants;
- ❖ Establishment of a shared savings where energy cost savings are aggregated and distributed to tenants; or
- ❖ Longer term preservation of the property as affordable housing.

## Accrual of Benefits – Master Metered Units:

**Secondary List** - Established by CSD ARRA Program Guidance #13:

- ❖ Investment of the energy savings from the weatherization work in specific health and safety improvements with measurable benefits to tenants; or
- ❖ Improvements to heat and hot water distribution, and ventilation, to improve the comfort of residents.

### How Can You Document Accrual???

Energy Service Providers must obtain the required documentation from MFP owners / managing agents to certify the accrual of at least one primary and any number of secondary benefits to tenants.

An **Accrual of Benefits Agreement** can take the form of a written narrative, but will need to provide specific, detailed information on measurable benefits that will accrue to the residents as energy savings are realized.

All agreements are required to be signed and dated by the owner / management entity of the property.



## Accrual of Benefits – Examples

### **Protection Against Rent Increases:**

- The Owner could extend rent increase protection (as it relates to weatherization improvements) to 5 years (or more), which is beyond what is required by DOE.

### **Establishing Shared Savings:**

- Owner might establish individual savings accounts for residents so that energy savings could be accumulated and distributed. This would also encourage energy awareness among residents.

## Accrual of Benefits – Examples

### **Longer Term Preservation of the Property as Affordable Housing:**

- The owner / manager could demonstrate how any realized energy savings will go to offset the cost of routine maintenance and the replacement of larger property systems that enable the preservation of the property as safe, clean and affordable housing.

## Accrual of Benefits – Examples

### Investment of Energy Savings in Facilities or Services:

- Ownership could agree contractually to invest realized energy savings dollars into improvements that will benefit the residents of the property. Examples might be:
  - Improved lighting
  - Re-painting hallways, buildings or apartments
  - Remodeling the community room
  - New carpeting, appliances or fixtures
  - Update the laundry rooms (new energy efficient washers and dryers?)
  - Establishment of a computer room with internet access

What kinds of information  
will Energy Service Providers  
need to collect???



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## Personal Information – What needs to be collected?

Data Element	DOE List-Certified MFPs	LIHEAP
Tenancy Status	• Required – Drop down menu	• Not Required
Social Security	• Not Required	• Required
Date of Birth	• Not Required	• Required
Applicant Name	• Optional	• Required
Address	• Required – Pre-Filled Unit #	• Required
Phone	• Not Required	• Required
Income	• Required – Can be aggregate	• Required
Energy Cost	• Required	• Required
Household Size	• Required	• Required
Demographics	• Required	• Required

# Department of Community Services and Development

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## How is it collected?

### CSD Form 43-MFP (Intake Form)

**Department of Community Services and Development**  
**Multi-Family Property Intake Form**  
**CSD 43 - MFP (Rev. 8/1/2010)**

Property Name:				Property Phone #:				Property Owner / Manager:				Property Type :					
Address:				City:			State:	CA	Zip:			County:			Total Units:		
Unit Specific					Demographics							Energy Burden / Usage					
Last Name (Optional)	Unit #	Unit Size (# of BRs)	# in HH	Gross Monthly Income	2 yrs. & under	Ages 3-5	Ages 6-18	Elderly (60+)	Disabled	Native American	Limited English Speaking	Primary Heating Type	Copy of Utility Bill Received	Monthly Gas Cost	Monthly Electric Cost	Total Monthly Energy Cost	Energy Burden
	1															\$0.00	0.00%
	2															\$0.00	0.00%
	3															\$0.00	0.00%
	4															\$0.00	0.00%
	5															\$0.00	0.00%

Our goal is to efficiently collect required income, energy usage and demographic details for each household at the property without compromising tenant confidentiality.

### Unit Identification

- Unit Number – Pre-Filled – Allows the order of individual households to be “scrambled” without losing an accurate demographic picture of individual units.
- Example: Single, Disabled Elderly Person lives in Unit #15 – Can be reported as residing in Unit #47 or any other unit at property. Protects confidentiality while still providing an accurate picture of who lives at the property.

### Income Verification

- For DOE-HUD list-certified properties – Income verification is not required – However the field IS still required.
  - Property owner or managing agent can provide certified income; or
  - Individual unit incomes can be reported by owner or agent as an average income per unit for the property.

## Energy Verification

To calculate energy burden for individually-metered properties:

- Energy service providers must obtain copies of current utility bills.
- If unable to acquire current utility bills for the entire property, a pro-ration may be used to estimate utility costs for non-responding units if at a minimum 75% of the property's utility bills have been obtained.

For Master-metered properties the owner / manager may provide:

- Actual utility costs per unit, or an average of the total energy expenses of the property distributed across each individual unit. Consideration should be given to unit size (i.e. square footage, number of bedrooms) in the calculation.

## Questions???

If you have questions on items presented today, please check-out the following links:

CSD's Web Page:

<http://www.csd.ca.gov/default.aspx>

Energy Service Provider Information:

<http://www.csd.ca.gov/Programs/Energy%20Service%20Providers.aspx>

Copies of this PowerPoint Presentation:

<http://www.csd.ca.gov/Contractors/ENERGY/Energy.aspx>

If you are unable to find the information you are looking for, please don't hesitate to contact me as follows:

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